



Department of Energy

Richland Operations Office
P.O. Box 550
Richland, Washington 99352

00-RU-0413

Mr. Phillip O. Strawbridge
Transition Manager
BNFL Inc.
3000 George Washington Way
Richland, Washington 99352

Dear Mr. Strawbridge:

ASSESSMENT OF THE INDEPENDENCE OF THE QUALITY ASSURANCE ORGANIZATION INSPECTION REPORT, IR-00-005

From April 20, 2000, through May 4, 2000, the Office of Safety Regulation (Regulatory Unit) performed an inspection of BNFL Inc. (BNFL) to assess the independence of the Quality Assurance (QA) organization.

Two Findings (documented in Notice of Finding, Enclosure 1) were identified and are summarized as follows: (1) the Project QA Manager did not have sufficient organizational freedom as indicated by the April 17, 2000, reassignment of the Project Quality Assurance Manager by the General Manager, even though the Project QA Manager reported directly to the Corporate QA Manager and not the General Manager; and (2) the Project QA Manager presented Stop Work Order, SWO-W375-00-QA00002, to the Deputy Project Manager; however, the Deputy Project Manager did not consider the Stop Work Order appropriate, did not stop work, and did not appeal the action to the BNFL Corporate QA Manager, as required by procedures. Details of the inspection, including the Findings, are documented in the inspection report (Enclosure 2).

The Findings described above are of significant concern to the Regulatory Unit (RU). These Findings represent a very serious problem with the implementation of the BNFL Quality Assurance Program. BNFL cannot be successful if the QA Organization does not have sufficient authority and freedom from the line organization to carry out its responsibilities, as required by law. Reassignment of the Project QA Manager by the General Manager compromised this independence, created the appearance of retribution, and resulted in a chilling effect to some BNFL employees. Slow and noncompliant response to stop work at the request of the Project QA Manager further suggested a lack of independence, a preference to schedule over quality, and management lack of knowledge of procedure requirements.

Mr. Phillip O. Strawbridge
00-RU-0413

-2-

You are requested to provide a written response to the Findings within 30 days, in accordance with the instructions provided in the enclosed Notice of Finding. In addition, the RU requests that BNFL provide in the response, the results of a determination if the conditions described in the Findings identify noncompliance with DOE nuclear safety requirements and if these conditions are reportable under 10 CFR Part 820, Appendix A, "General Statement of Enforcement Policy." The RU also requests that BNFL, in its response, describe what further actions will be taken to address potential "chilling effect" that has resulted from the reassignment of the Project QA Manager.

Nothing in this letter should be construed as changing the Contract (DE-AC27-96RL13308). If BNFL has any questions regarding the inspection or Findings, please contact me or Pat Carier of my staff on (509) 376-3574.

Sincerely,

D. Clark Gibbs, Regulatory Official
Office of Safety Regulation
of the RPP-WTP Contractor

REG:RCB

Enclosures

cc w/encls:
D. A. Klein, BNFL